



August 31, 2007

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, South Carolina 29210

Dear Mr. Terreni:

In compliance with the Public Service Commission's Order No. 18,100 in Docket No. 17,134 dated January 15, 1975; a request from the Executive Director dated September 30, 1987; Order Nos. 88-864 and 88-971 in Docket No. 88-11-E; and the officer verification certification enacted by the Commission on December 17, 2002, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. submits the following information per its books and as adjusted for the 12-month period ending June 30, 2007:

1. Officer verification certificate
2. System Rate of Return on Rate Base - Exhibit A1
3. South Carolina Rate of Return on Rate Base - Exhibit A2
4. Return on Common Equity (Allocated to South Carolina Retail) - Exhibit B
5. Earnings Per Share on Progress Energy's Common Stock - \$2.59
6. Debt Coverage Ratio or Earnings to Fixed Charges - 4.60 times

The allocations and adjustments required to determine the information requested in the Commission's orders and request are in general accordance with the allocation methodology described by the Commission in our most recent general rate case (Docket No. 88-11-E, Order No. 88-864). The level of detail encompassed in this report is not sufficient for ratemaking purposes.

Attached is a copy of this report, which I request that you stamp and return to me. If you have any questions, please call me at 919-546-7091.

Sincerely,



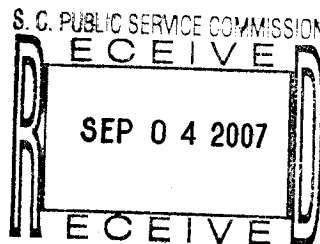
Michele de Lyon
Principal Business Financial Analyst
Progress Energy Service Company

21450

c: John Flitter

Enclosure

Progress Energy Service Company, LLC
P.O. Box 1551
Raleigh, NC 27602



PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2007

SYSTEM TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	4,234,460,869	(21,754,645)	4,212,706,224
OPERATING EXPENSE:			
NET O&M EXPENSES	2,353,551,714	(20,342,999)	2,333,208,715
DEPRECIATION	744,313,823	32,996,230	777,310,053
TAXES (OTHER THAN INCOME)	199,347,529	(3,328,712)	196,018,817
INCOME TAX - STATE	44,705,312	(15,769,289)	28,936,023
INCOME TAX - FEDERAL	318,058,337	(86,302,632)	231,755,705
PROV. FOR DEFERRED TAXES	(81,828,945)	57,691,129	(24,137,816)
INVESTMENT TAX CREDIT	(5,733,012)	-	(5,733,012)
TOTAL OPERATING EXPENSE	3,572,414,758	(35,056,273)	3,537,358,485
INCOME FOR RETURN:			
OPERATING INCOME	662,046,111	13,301,628	675,347,739
CUSTOMER GROWTH	7,033,998	141,325	7,175,323
INTEREST ON CUST. DEPOSITS	(3,579,370)	-	(3,579,370)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	665,500,739	13,442,953	678,943,692
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	14,675,054,370	143,185,301	14,818,239,671
PLANT HELD FOR FUTURE USE	2,423,484	-	2,423,484
RESERVE FOR DEPRECIATION	(7,685,939,576)	285,595,981	(7,400,343,595)
NET PLANT IN SERVICE	6,991,538,278	428,781,282	7,420,319,560
NUCLEAR FUEL INVENTORY	204,507,771	-	204,507,771
DEFERRED TAXES - LIB. DEPR.	(545,058,685)	80,135,976	(464,922,709)
REGULATORY ASSETS	64,087,034	(35,265,655)	28,821,379
WORKING CAPITAL:			
MATERIALS & SUPPLIES	842,927,012	(271,789,286)	571,137,726
CASH WORKING CAPITAL	444,408,107	-	444,408,107
UNCLAIMED REFUNDS	(7,575)	-	(7,575)
PREPAYMENTS	2,435,286	-	2,435,286
TAX ACCRUALS	(126,509,730)	-	(126,509,730)
CUSTOMER DEPOSITS	(65,420,481)	-	(65,420,481)
OPERATING RESERVES	(616,012,473)	-	(616,012,473)
CUSTOMER ADVANCES FOR CONSTR.	(26,395,660)	-	(26,395,660)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	455,424,486	(271,789,286)	183,635,200
TOTAL RATE BASE	7,170,498,884	201,862,317	7,372,361,201
RATE OF RETURN (%)	9.28		9.21

PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED JUNE 30, 2007

S.C. RETAIL TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	538,762,175	2,954,564	541,716,739
OPERATING EXPENSE:			
NET O&M EXPENSES	381,070,432	(8,676,936)	372,393,496
DEPRECIATION	61,818,099	4,488,593	66,306,692
TAXES (OTHER THAN INCOME)	20,724,368	145,316	20,869,684
INCOME TAX - STATE	6,752,765	(1,481,130)	5,271,635
INCOME TAX - FEDERAL	19,585,859	(6,688,010)	12,897,849
PROV. FOR DEFERRED TAXES	(26,737,536)	14,605,800	(12,131,736)
INVESTMENT TAX CREDIT	(818,521)	-	(818,521)
TOTAL OPERATING EXPENSE	462,395,466	2,393,632	464,789,098
INCOME FOR RETURN:			
OPERATING INCOME	76,366,709	560,932	76,927,641
CUSTOMER GROWTH	251,256	1,846	253,102
INTEREST ON CUST. DEPOSITS	(331,604)	-	(331,604)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	76,286,361	562,778	76,849,139
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	2,118,028,813	20,623,102	2,138,651,915
PLANT HELD FOR FUTURE USE	349,056	-	349,056
RESERVE FOR DEPRECIATION	(1,105,943,149)	40,366,744	(1,065,576,405)
NET PLANT IN SERVICE	1,012,434,720	60,989,846	1,073,424,566
NUCLEAR FUEL INVENTORY	29,500,133	-	29,500,133
DEFERRED TAXES - LIB. DEPR.	(90,278,010)	5,307,680	(84,970,330)
REGULATORY ASSETS	12,462,639	(5,079,343)	7,383,296
WORKING CAPITAL:			
MATERIALS & SUPPLIES	109,249,084	(25,220,579)	84,028,505
CASH WORKING CAPITAL	69,751,139	-	69,751,139
UNCLAIMED REFUNDS	-	-	-
PREPAYMENTS	398,532	-	398,532
TAX ACCRUALS	(15,378,696)	-	(15,378,696)
CUSTOMER DEPOSITS	(10,922,359)	-	(10,922,359)
OPERATING RESERVES	(87,799,978)	-	(87,799,978)
CUSTOMER ADVANCES FOR CONSTR.	(3,514,545)	-	(3,514,545)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	61,783,177	(25,220,579)	36,562,598
TOTAL RATE BASE	1,025,902,659	35,997,603	1,061,900,262
RATE OF RETURN (%)	7.44		7.24

PROGRESS ENERGY CAROLINAS
S.C. QUARTERLY REPORT
S.C. RETAIL - RETURN ON COMMON EQUITY
FOR THE TEST YEAR ENDED JUNE 30, 2007

"PER BOOKS"

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,660,526,588	50.93%	522,492,224	5.71%	29,834,306
PREFERRED STOCK	59,333,982	0.83%	8,514,992	6.09%	518,563
COMMON EQUITY	3,467,242,567	48.24%	494,895,443	9.28%	45,933,492
TOTAL CAPITALIZATION	7,187,103,137	100.00%	1,025,902,659		76,286,361

"ADJUSTED"

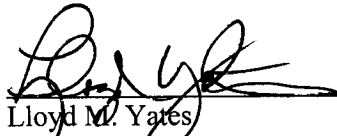
DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,599,546,432	51.19%	543,586,744	5.71%	31,038,803
PREFERRED STOCK	59,333,982	0.84%	8,919,962	6.09%	543,226
COMMON EQUITY	3,372,474,177	47.97%	509,393,556	8.89%	45,267,110
TOTAL CAPITALIZATION	7,031,354,591	100.00%	1,061,900,262		76,849,139

CERTIFICATION

(Certification must be signed by the Chief Executive Officer)

I, Lloyd M. Yates, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2007 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.

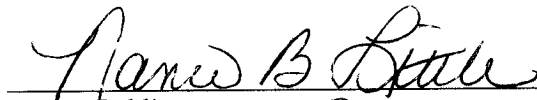


Lloyd M. Yates
President & Chief Executive Officer
Progress Energy Carolinas, Inc.

8/29/07

Date Signed

Subscribed and Sworn to before me this 29 day of August, 2007.



Notary Public

My Commission Expires:

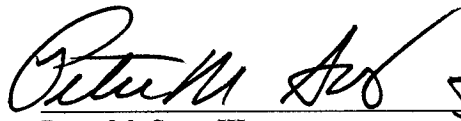
July 1, 2010

CERTIFICATION

(Certification must be signed by the Chief Financial Officer)

I, Peter M. Scott III, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

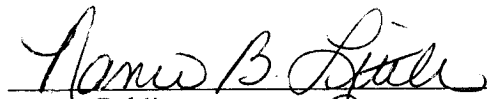
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Peter M. Scott III
Executive Vice President and Chief Financial Officer
Progress Energy, Inc.

8/29/07
Date Signed

Subscribed and Sworn to before me this 29 day of August, 2007.


Notary Public
My Commission Expires: July 1, 2010